



Professionals Who Sell – Part 1: The Power of Questions

Introduction

I'm seeing an increase in the awareness amongst financial advisers of the need to develop or improve their selling skills. With the demands of FSRA now hopefully bedded down, advisers are turning their attention to obtaining skills that actually contribute to the value of their practice. It has become clear that the significant time, costs and effort invested in enhancing planning skills (as a result of the requirements of PS 146 and mandatory professional development days), plus the new-look Statement of Advice, and all the supporting documentation, produce absolutely no revenue. Your success as a financial adviser depends on your knowledge *and* your ability to deliver your skills to paying clients.

Although a solid case can be made for financial advisers to develop strong selling skills, what's less clear is *which* selling skills are appropriate for our nascent profession. Our industry has moved from a value-added product distribution channel to a respected advice-driven profession. Advisers require selling skills suitable for a relationship-driven professional rather than a transaction-driven salesperson. From what I've seen, training programs have not kept pace with the new culture.

Your challenge as a financial adviser is to move your clients in a desired direction whilst maintaining your dignity as a professional.

This is the first article in a series that will discuss selling skills appropriate for the modern day "professional who sells".

Selling skills

It's unlikely that any selling skill used in isolation will achieve great results for you. That's the big challenge with the inappropriately named "soft-skills". It's the careful blending of various skills that will allow you to achieve consistently successful outcomes.

This article will discuss how *questions* can be used to empower you to make more sales. But let me disclose the limitations of my message before proceeding.

You may become a master at asking the right questions, but you may be a weak listener. If you are, you will miss most of the crucial information – subtle fears, undefined dreams, and vague prejudices – in your client's replies. You may become a master at asking the right questions, but you may ignore the personality style of your client and ask great questions in the wrong way. If so you will struggle to build and maintain rapport resulting in your great questions being posed to a hostile and impatient client.

That said, carefully crafted questions can cover other weaknesses and contribute to the outcome you want to achieve.

Some theory...

There are many types of questions. Before discussing how best to use these questions, let's indulge in a bit of theory and cover some of the more common and important types.



Open questions – cause your client to provide information, express their feelings and share opinions.

Examples:

- How would you describe yourself as a person?
- What are you passionate about?
- How do you feel about your finances at present?
- What concerns you about your current financial position?
- What actions would you like to take?

Closed or semi-closed questions – cause your client to give an answer or choose an alternative.

Examples:

- Have you worked with a financial advisor before?
- Should I prepare a plan that focuses on both your risk and investment needs?
- Would you be available next Monday for me to present your plan, or would Tuesday be better?
- What budget do you have in mind for your life cover?

Value questions – cause your client to share their priorities, or how much importance they place on a certain issue.

Examples:

- Can you give me an idea what your priorities are with regard to your risk and investment needs?
- What does your family mean to you?
- How important is it to you to ensure that your family is financially secure should something happen to you?

Progress questions – cause your client to confirm or deny that you are on the right track.

Examples:

- Am I correct in understanding that I should focus on minimising your tax when preparing your investment plan?
- So as far as you're concerned investment risk is immaterial, you want to expose your funds to those investments with the potential for the highest growth?
- What I'm hearing is that it is crucial to secure the financial well-being of your family before allocating available funds to an investment portfolio?



Leading questions – causes your client to have to respond in a certain way to your question.

Examples:

- How do you think working with me can be of value to you?
- If I'm able to obtain cover at around that cost would you be interested in taking it up?
- How do you see us working together?

Asking the right questions

So much for the theory! Let's move straight to ideas you can implement in your practice. Your next step here to develop the *right* questions. You wouldn't even consider adlibbing a fact finder! So why do so many advisers "shoot the breeze" in the all-important early stage of the sales process? You're looking to move the person in front of you from a luke-warm, mildly curious individual to a motivated customer.

Here's a great table to help you develop some powerful questions. I've included a couple of examples.

What information do I require?	What question can I ask that will give me the best chance to obtain the required information?	How will I make use of this information?
My client's most important objective.	We've covered quite a few objectives that you would like to achieve working with a financial adviser. Which do you feel is the most important to you?	I'm going to link my solution to the most important objective and then briefly discuss how other objectives can be met.
Whether my client has had any bad experiences working with a financial adviser in the past.	Have you worked with a financial adviser before today? What kind of experience did you have?	I need to know if my client has had a bad experience in the past and will need to address this when discussing the benefits of working with me.
And so on...		

Tip: Make your questions comfortable for you to ask. They should be phrased in such a way that suggests empathy. Your client must feel that you are a friend – not an interrogator.

Reward your client for answering your questions...

Your client is giving you something by answering your questions. Give them something back. Reciprocation is important:

- **Thanking them** - "That's very interesting, thank you."



- **Praising them** - "You're very generous (kind, brave, honest, open, or whatever you can say with complete sincerity) in sharing that with me. I appreciate your trust."
- **Smiling** and making direct **eye contact**.
- **Nodding**.
- **Paraphrasing** key ideas to show that you are listening – "So you think that there will be tough times ahead for your industry?"
- **Asking for further information** - "That's very interesting. Could you tell me a little more about that?"
- Maintaining an alert and interested **posture**.
- Ensuring that your **posture, manner and mood** are as close to theirs as possible.
- Asking further **open questions**

The order is crucial...

Many meetings simply beat around the bush. They have fuzzy objectives such as "getting to know each other", "finding out whether we can work together" or simply "taking the first step".

Your time is valuable. You should have a clear objective for each meeting.

The most common objective when having a first meeting with a client is to get the go ahead to prepare a plan or perhaps to schedule another meeting where both sides will stick to a clear agenda. The most common objective when presenting the plan is to get the go-ahead to implement the plan.

Your use of questions can have a strong impact on whether you achieve your objective or not. Except where the client is clear what they want from you (very rare) you will have to lead your client into taking the correct course of action.

Introducing the Funnel Technique...

The Funnel Technique makes use of three types of questions asked in a very specific order:

- Open questions
- Leading questions
- Closed questions

Open questions...

By asking open questions you obtain information about the needs, wants, fears and desires of your client. You get an idea of who they are as a person, their priorities and perhaps even something they want attended to as a matter of urgency.



Open questions do not guide your client in any direction. They simply elicit information.

Leading questions...

You now take information obtained from using open questions to direct your client in a particular direction.

For example, “You mentioned that securing your family’s future was a key priority. I would suppose that you’d like me to take a close look at your personal insurance needs?” or “What budget do you have in mind for your insurance needs?”

You have taken control of the conversation by linking a need expressed by the client to a solution that you would like to provide.

Closed questions...

Once your client has confirmed the relevance of your leading questions (by providing you with appropriate answers), your next step is to get commitment for a particular course of action using a closed question.

Classic closing techniques (such as the assumptive close or the alternate close) are considered aggressive and “old school”. Many advisers are very uncomfortable using them as they are so obvious a pressure tactic to secure the deal. I’m confident that you will find it much easier to ask a closed question, and then to let your client make up their own mind – using a far more subtle pressure tactic.

Link one or two key objectives that your client mentioned when answering your questions to the course of action you would like them to take. *Then just keep quiet.* Silence exerts considerable *subtle* pressure.

For example, “I’m confident that I can prepare a financial plan that covers all your objectives. I’ll include that effective tax strategy I mentioned to ensure your key objective of minimising tax is achieved plus I’ll perform a full review of your insurances to ensure there are no gaps which you also highlighted as a concern. Should I go ahead and prepare your plan?” Silence...

Try to include a few progress questions as you narrow the funnel. Progress questions communicate that you are listening and absorbing what your client is saying.

Last word...

Questioning skills are a very powerful selling tool. Questions allow you to maintain control of the sale’s process. They communicate to your client that the whole purpose of the meeting is about them and their needs, not about you and your services. As you skilfully draw out information from your client, their confidence in your ability to deliver a quality, customised solution grows – it is basic human psychology to feel more comfortable with the advice given by someone who knows more about you.

The more you get your client to talk, the more they feel that they are contributing to the process. People tend to support that which they co-create. Another psychological phenomenon takes place here. By “giving” you answers, your client becomes emotionally connected with the outcome. Witness how engaged you become where someone has asked for your assistance with a matter.



Finally, posing questions will allow you to maintain your integrity as a professional and exert influence to achieve your desired outcome. But don't shoot from the hip. Be deliberate. Prepare for each interview - you need to ask the correct questions in the correct order. Then, no fancy closing techniques, just the force of silence.

The views expressed in this article are the authors. You should seek expert advice to determine the suitability and applicability of the content for your particular needs.